



Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

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Romania

Grain and Feed

September Update

2002

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Report Highlights:

Romania's crop yields were severely reduced by a persistent dry spell in the main cereal growing areas (the southern and eastern plains). AgBucharest estimates wheat production to total 4.3 MMTs based on harvested area of 2.2 million hectares and an average yield of 1.95 MT/HA. For barley, we estimate production to total 660,000 tons from a harvested area of 296,000 hectares and an average yield of 2.2 MT/HA. For corn, our estimated yield of 2.75 MT/HA results in a crop of 7.4 MMTs, just 100,000 less than our original forecast.

Includes PSD changes: Yes
Includes Trade Matrix: No
Unscheduled Report
Sofia[BU1], RO

Weat: Lower Production and Quality

Winter and spring wheat crops were planted late under drought conditions. Extremely dry conditions persisted in the February and March and further stressed plant germination and emergence. The April rainfalls were timely for corn, but had an adverse impact wheat quality.

Wheat harvesting began in late June and is completed to date, but the substantial precipitation which fell unceasingly for six weeks during the growing season worsened milling wheat quality, especially gluten content. Our average yield estimate was revised down to 1.95 MT/HA on a total 2.2 million HA harvested, resulting in a total output of 4.3 MMTs, 300,000 greater than AgBucharest's July forecasted figures. There were great disparities in yields throughtout Romania, ranging from 0.6 MT/HA in Oltenia in the southwest to over 3-3.5 MT/HA in western and southern counties (Timis, Satu Mare, Suceava).

Heavily affected by extreme weather conditions, very little of the wheat meets local milling standards, as reported by industry representatives. Current farm gate prices are in the range of \$90-93/MT; nevertheless traders cannot purchase reasonably large homogenous lots from the market. About 2.1 MMTs of the wheat output are reported to be stored in licensed facilities, but because of low quality, most of it fails to qualify for the storage subsidies provided by the Government in the beginning of the harvesting season. Under such circumstances, we expect imports of baking wheat and wheat flour from the neighboring countries (traditionally from Hungary and increasingly from Bulgaria) will exceed 700,000 MTs. Durum wheat will also be imported, and is usually sourced from the EU (Italy, France).

Corn: Enough to Generate a (Small) Exportable Surplus

The 2002 Romanian corn crop is forecast at 7.4 MMT (~~derived from a total harvested area of 2.69 million hectares and average yields of 2.75 MT/HA~~) after April and July-August rainfall aided plant development. Although precipitation led to significant crop growth in some areas, it came too late for some 30% of the total area under corn sown with early hybrids.

As barley inventories were exhausted by the end of July, the continued recovery of the Romanian livestock herds will likely result in an increased demand for corn. Corn supply in marketing year 2003 will still meet the domestic demand (estimated to stand to reach 7 MMTs), and offer a small exportable surplus of about 300,000 MTs. Domestic bids for corn at farm currently stand at \$105-120/MT.

PSD Table Wheat

PSD Table						
Country	Romania					
Commodity	Wheat				(1000 HA)(1000 MT)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		07/2000		07/2001		07/2002
Area Harvested	1600	1942	2500	2552	0	2199
Beginning Stocks	700	800	600	767	2200	1457
Production	4400	4600	7900	6700	0	4300
TOTAL Mkt. Yr. Imports	506	357	100	40	0	700
Jul-Jun Imports	506	357	100	40	0	700
Jul-Jun Import U.S.	0	0	0	0	0	50
TOTAL SUPPLY	5606	5757	8600	7507	2200	6457
TOTAL Mkt. Yr. Exports	106	90	900	600	0	150
Jul-Jun Exports	106	90	900	600	0	150
Feed Dom. Consumption	1600	1200	2150	1350	0	1700
TOTAL Dom. Consumption	4900	4900	5500	5450	0	5407
Ending Stocks	600	767	2200	1457	0	900
TOTAL DISTRIBUTION	5606	5757	8600	7507	0	6457

PSD Table Corn

PSD Table						
Country	Romania					
Commodity	Corn				(1000 HA)(1000 MT)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		10/2000		10/2001		10/2002
Area Harvested	2700	2860	2900	2910	0	2698
Beginning Stocks	1650	1500	200	603	2050	1078
Production	4500	4800	8800	7000	0	7400
TOTAL Mkt. Yr. Imports	350	418	50	10	0	15
Oct-Sep Imports	350	418	50	10	0	15
Oct-Sep Import U.S.	0	14	0	1	0	3
TOTAL SUPPLY	6500	6718	9050	7613	2050	8493
TOTAL Mkt. Yr. Exports	50	15	200	210	0	300
Oct-Sep Exports	50	15	200	210	0	300
Feed Dom. Consumption	4600	4900	5300	5300	0	5900
TOTAL Dom. Consumption	6250	6100	6800	6325	0	7240
Ending Stocks	200	603	2050	1078	0	953
TOTAL DISTRIBUTION	6500	6718	9050	7613	0	8493